

Department of Social and Health Services

**DP Code/Title: M1-93 Mandatory Caseload Adjustments**

**Program Level - 010 Children's Administration**

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Budget Period: 2003-05      Version: A1 010 2003-05 Fall Update

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**Recommendation Summary Text:**

This item is an update to reflect the October 2002 forecast adopted by the Caseload Forecast Council (CFC) for the 2003-05 Biennium for Adoption and Foster Care.

**Fiscal Detail:**

**Operating Expenditures**

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	16,067,000	27,432,000	43,499,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	3,422,000	6,445,000	9,867,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	2,244,000	3,817,000	6,061,000
<b>Total Cost</b>	<b>21,733,000</b>	<b>37,694,000</b>	<b>59,427,000</b>

**Staffing**

**Package Description:**

This request is based on historical expenditures and caseloads. The forecast for the Adoption and Foster Care caseloads is updated, approved and adopted by the CFC. Once a forecast is developed, budgets for the affected caseloads are adjusted to reflect the new projection.

Since enactment of the Adoption and Safe Families Act several federal requirements have been in place that, in part, drive the forecasted changes in five federal performance requirements.

It is now required that the Children's Administration (CA) increase:

- 1) Permanency for children in care
- 2) The rate of adoptions
- 3) Stability for children in care

And reduce:

- 4) The length of stay for children in temporary out-of-home care and
- 5) Re-entry into care

The CA strives toward the new federal performance requirements.

The increase in the Adoption program is due to significant growth in caseload. The Adoption caseload is forecasted to grow from 8,882 in Fiscal Year 2003 to 9,712 in Fiscal Year 2004, and to 10,543 in Fiscal Year 2005. This growth represents a 19 percent increase in caseload from Fiscal Year 2003 to Fiscal Year 2005.

Children are placed in out-of-home care to protect them from abuse and neglect, and to provide the necessities of life such as food, clothing, and shelter when their parents can no longer care for them. Forecasted services are designed to ensure the safety of children and assist children who are temporarily or permanently removed from their parent's homes. Primary responsibility for caring for children requiring out-of-home support rests with the state. Federal law requires states to provide child welfare services to children through the age of 18.

The forecasted increase in Foster Care is largely driven by growth in percapita costs in Group Care, Foster Family Homes, and Receiving Homes. Percapita costs for Group Care, Foster Family Home, and Receiving Home are forecasted to be up approximately 12 percent, 7 percent, and 11 percent respectively, from Fiscal Year 2003 to Fiscal Year 2005.

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Funding the forecasted need for Adoption and Foster Care ensures that children who are in need of protection will continue to be assisted temporarily or permanently through Washington State's child welfare system.

**Narrative Justification and Impact Statement**

***How contributes to strategic plan:***

Funding for the forecasted need for Adoption and Foster Care supports the CA's goals of child safety, child and family well-being, and permanency for children in out-of-home care. The CA is committed to protecting children from abuse and neglect, improving the well-being of children in out-of-home care by providing adequate services to meet their needs, and providing stable, nurturing, and permanent placements as quickly as possible for children in out-of-home care.

***Performance Measure Detail***

**Program: 010**

**Goal: 03A Provide stable and permanent placements for children**

No measures submitted for package

**Incremental Changes**

**FY 1**

**FY 2**

***Reason for change:***

The budgets for Foster Care and Adoption services are updated to reflect the October 2002 Forecast.

***Impact on clients and services:***

This item will allow the CA to provide a continuous level of service based on caseload projections updated annually.

***Impact on other state programs:***

None

***Relationship to capital budget:***

None

***Required changes to existing RCW, WAC, contract, or plan:***

No revisions needed if funding is approved.

***Alternatives explored by agency:***

None. Federal law requires that states provide child welfare services to children through the age of 18. The forecasted need requires funding in order to operate a child welfare program at the same level that is currently provided for Washington State residents.

***Budget impacts in future biennia:***

The Adoption and Foster Care budgets are re-forecasted each year.

***Distinction between one-time and ongoing costs:***

Costs in this package are ongoing.

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***Effects of non-funding:***

Fewer children requiring the state's protection and care would receive services.

***Expenditure Calculations and Assumptions:***

See attachment - CA M1-93 Mandatory Caseload Adjustments.xls

<b><u>Object Detail</u></b>	<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>Total</u></b>
<b>Overall Funding</b>			
N    Grants, Benefits & Client Services	21,733,000	37,694,000	59,427,000

**DSHS Source Code Detail**

<b>Overall Funding</b>	<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>Total</u></b>
<b>Fund 001-1, General Fund - Basic Account-State</b>			
<b><u>Sources</u>    <u>Title</u></b>			
0011    General Fund State	16,067,000	27,432,000	43,499,000
<i>Total for Fund 001-1</i>	<b>16,067,000</b>	<b>27,432,000</b>	<b>43,499,000</b>
<b>Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi</b>			
<b><u>Sources</u>    <u>Title</u></b>			
658A    Title IV-E Foster Care (FMAP)	1,935,000	3,057,000	4,992,000
659A    Title IV-E Adoption Assistance (FMAP)	1,487,000	3,388,000	4,875,000
<i>Total for Fund 001-A</i>	<b>3,422,000</b>	<b>6,445,000</b>	<b>9,867,000</b>
<b>Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa</b>			
<b><u>Sources</u>    <u>Title</u></b>			
19TA    Title XIX Assistance (FMAP)	2,244,000	3,817,000	6,061,000
<i>Total for Fund 001-C</i>	<b>2,244,000</b>	<b>3,817,000</b>	<b>6,061,000</b>
<b>Total Overall Funding</b>	<b>21,733,000</b>	<b>37,694,000</b>	<b>59,427,000</b>